



STRENGTHENING SOCIAL SECURITY: WHAT THEY'RE SAYING

Secretary Snow Calls Trustees' Report 'Warning Bell' And Urges Action: "The trustees' report shows that Social Security's cash flows will peak in 2008 and turn negative in 2017, and the trust fund itself will be exhausted in 2041. The unfunded obligation--that is, the difference between the present values of Social Security inflows (plus the trust fund) and outflows--is \$11.1 trillion on a permanent basis, and \$4 trillion over the next 75 years. ...The responsibility to keep the commitments to seniors and meet the needs of our children and grandchildren is a shared one. It is shared across the political aisle and across generations. We should treat this year's Social Security trustees' report as the final warning bell and join together to make sure that next year's report will be different. (Op-ed, Treasury Secretary John W. Snow, "Think That You're Broke Now?", *Chicago Tribune*, 3/31/05) [Read the Secretary's column.](#)

In Iowa, President Bush Tells Seniors Nothing Will Change, Reform Needed For Younger Americans: "I think one of the things that's happened, in this 60-day period that we set out to explain to the country we have a problem, is that people are now beginning to understand there is a problem. And the second thing that people are beginning to figure out is that if you're 55 and over, you don't have anything to worry about, the government is going to pay the promised benefits. ...There's a lot of people in Iowa counting on their Social Security check, and they just need to hear the truth. ... The people who need to worry about this issue are the younger Americans. They're the ones who are going to have to pay enormous taxes or get enormous benefit cuts if this government is not willing to respond now." (President George W. Bush, Interview with Jan Mickelson, WHO Radio, Cedar Rapids, IA, 3/30/05) [Read a transcript of the President's interview on WHO radio.](#)

Majority of Americans Support Personal Accounts: "The latest FOX News poll shows many people agree with the president that changes need to be made in the near future ...Among those under age 55, fully 77 percent say they are either very or somewhat concerned that Social Security will lack the funds to pay their full benefits when they retire. When asked about the proposal for personal investment accounts ... a 60 percent majority says they favor giving individuals the choice to invest a portion of the contributions and 28 percent oppose. Support for investment accounts is highest among those under age 30 (76 percent), though a 56 majority of those over age 55 say they favor giving individuals the choice to invest." (FOX News/Opinion Dynamics Poll, 3/31/05) [View the poll results.](#)

Cedar Rapids Gazette Editorial Board Urges Americans To 'Get Off Square One:' "[T]oo many Americans are still at square one, resisting any change to Social Security because special-interest groups and cowardly politicians have chosen to broadcast scare tactics and gross distortions that Treasury Secretary John Snow described to The Gazette last night as 'irresponsible.' The truth, as Snow stressed and Bush will no doubt carefully explain again today, is that without reform, the system will be unable to pay many of today's workers the benefits they have been promised. ... Let's stop pretending there's any kind of a promise to today's workers, because under the current terms of that social compact, it's practically an Enron-caliber fantasy." (Editorial, "Bush will share simple truth," *Cedar Rapids Gazette*, 3/30/05) [Read the editorial \(subscription required\).](#)

'AARP's Stand On President's Social Security Plan Is Wrong': "The AARP, a senior citizens' organization, is wrong to oppose President Bush's plan to allow wage earners under 55 to put 4 percent of their Social Security payroll taxes into personal accounts. That tax is officially known as the Federal Insurance Contribution Act, or FICA for short. It is 12.4 percent of a paycheck, one half paid by the wage earner and one half by his or her employer, on wages up to \$90,000 a year. ... Younger workers should talk with a financial advisor instead of listening to AARP and others with an agenda or a dislike for the Bush administration, before joining the protesting chorus on personal accounts." (Op-ed, Lew M. Williams Jr., "AARP's stand on president's Social Security plan is wrong," *Juneau Empire (AK)*, 3/27/05) [Read the whole column.](#)

A Woman's Take On Social Security Overhaul: "[Lea] Abdnor was ... a member of the commission appointed by Bush in 2001 to study the long-term funding problems facing Social Security. ...She argues that the current retirement program is based on a Depression-era family model and benefit structure that rewards stay-at-home moms while penalizing single and working women. According to Abdnor, many women would fare better if they diverted their payroll taxes into private accounts, which are similar in structure and concept to the 401(k) accounts offered by many employers. ... 'I don't see my job as representing millions of women,' she said. 'I see it more as educating people on how women are helped and harmed by the

system, and how they would be affected by personal retirement accounts. They can choose for themselves whether or not they agree.'" (Warren Vieth, "A Woman's Take on Social Security Overhaul," *Los Angeles Times*, 3/30/05) [Read the article.](#)

In Maine, Secretary Leavitt Discusses Personal Accounts As Important Part Of A Solution: "Setting up private investment accounts is an important part of President Bush's plan to restructure Social Security, but by no means the only one, Health and Human Services Secretary Michael Leavitt said Wednesday. 'There is a point in the life of every problem that it's big enough that you can still see it but small enough that you can still solve it.'" (Josie Huang, "Leavitt, Snowe appraise investment idea," *Portland Press Herald (ME)*, 3/31/05) [Read the article.](#)

SSA's Jim Lockhart Notes Sentiment Shift, 'They Realize We Have To Do Something:' "At the memorial building in downtown Topeka this week, James Lockhart presented a crowd of Kansans with several options for fixing Social Security, but avoided endorsing one specific plan. 'The key thing to get out is that there's a sense of urgency here,' Mr. Lockhart, deputy commissioner of the Social Security Administration, said ... Mr. Lockhart noted that while audience members had pointed questions, none questioned whether the system has financial problems or needs change. 'They realize we have to do something,' he said, adding that this wasn't the public sentiment a year ago." (Amy Fagan, "The Great Across-The-U.S.A. Social Security Selling Tour," *The Washington Times*, 3/31/05) [Read the article.](#)

Presidents Bush And Clinton, The Late Sen. Moynihan Among Those To Call For Reform: "Given the coming economic and demographic changes, President Bush, like President Clinton before him, proposes to resolve Social Security's long-term solvency problem before it becomes a crisis. And, like the late Sen. Daniel Patrick Moynihan, for decades the intellectual leader of the Democratic Party on social insurance issues, he proposes to modernize Social Security with an individual account component. ...[W]e should add an individual accounts component to Social Security whereby younger workers can choose to put a modest portion of their payroll taxes up to a limit into a broadly diversified, low-cost index fund. ...There is an especially strong case for individual accounts for the half of the population that owns virtually no assets, a point often made by Sen. Moynihan." (Op-ed, Michael J. Boskin, "Social Security vs. Common Sense," *The Wall Street Journal*, 3/30/05) [Read the article online \(subscription required\).](#)

Non-Partisan Concord Coalition Finds Social Security System Only Getting Worse: "[I]t should be recognized that there is little debate about Social Security having projected financial problems. For the past 17 years, the Social Security boards of trustees under both Republican and Democratic Administrations have projected that the program will have a major financing problem, large enough to fail their test of long-range balance. While there has been some suggestion in recent years that the situation has improved and that the problem has been exaggerated, the overall outlook is not much different today than it's been over much of the past two decades. But if one views the significance of the problem by how close we are to it, things have worsened considerably. ("Social Security's Financial Problems: How Should We View Them?" *The Concord Coalition*, 3/29/05) [Read the Concord Coalition brief.](#)

'Give Blacks A Chance To Invest In Future:' "This grim reality will affect seven out of every 10 blacks: They will receive less in Social Security benefits after they retire than they paid in Social Security taxes during their working years. That's because half of all 20-year-old black men who enter the labor force will die before they get back even three years' worth of Social Security benefits, according to the National Center for Health Statistics. This should make the president's proposal to modernize Social Security by including personal retirement accounts a viable option among blacks. Wealth is built over time and by virtue of having the chance to invest in the future. ...Let's hope that in the midst of the wide-ranging debate over the details of Social Security reform we don't forget the simple point that for millions of Americans, Social Security reform makes sense - and dollars." (Op-ed, Alvin Williams, 'Give blacks a chance to invest in future,' *Milwaukee Journal Sentinel*, 3/26/05) [Read the whole column.](#)

President Bush Showing Leadership on Social Security: "Social Security reform, and particularly personal savings accounts, is a Grand Idea properly framed that more timid leaders, and those who govern by poll, would never have spoken. For decades, leaders in the White House and in Congress have rolled forward its day of reckoning, hugely expanding and then narrowly reforming, but always with an eye to the next election. It's one of the greatest entitlement cruelties the nation's leaders have inflicted upon their children. As Social Security's actuaries reported to Health and Human Services Secretary Michael Leavitt last week: The system is simply unsustainable. ... Change the system by changing our dependency on it. Protect those who are too advanced in their lives for surprises, but negotiate with the young as to the nation they will inherit. A grand vision, indeed." (Op-ed, Jim Wooten, "Bush's Vision Shows Insight," *Atlanta Journal-Constitution*, 3/25/05) [Read the whole column.](#)